ORIGINAL

BELLSOUTH

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November 3, 1999

EX PARTE OR LATE FILED

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EX PARTE

Ms. Magalie Roman Salas Secretary Federal Communications Commission The Portals 445 12th S.W., Room TWB-204 Washington, D.C. 20554 NOV - 3 1999

DERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Re: CC Docket No. 98-147

Dear Ms. Salas:

On November 3, 1999, Bill McNamara, Steve Earnest, and I, representing BellSouth Corporation, met with Dorothy Atwood, Legal Advisor to Chairman Kennard, Bob Atkinson, Deputy Chief of the Common Carrier Bureau, Carol Mattey, Chief of the Policy and Program Planning Division, and Staci Pies, a senior attorney in that Division, to discuss BellSouth's position on legal, technical and operational issues related to line sharing. The attached document formed the basis for the BellSouth presentation.

In compliance with the Commission's rules, I am filing two copies of this notice and ask that you associate this notification with the proceeding identified above.

Sincerely,

Kathleen B. Levitz

Attachment

cc: Dorothy Atwood (w/o attachment)

Kathleen B. Levetz

Bob Atkinson (w/o attachment) Carol Mattey (w/o attachment) Staci Pies (w/o attachment)

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BellSouth Ex Parte on Line Sharing CC Docket No. 98-147 November 2, 1999

BellSouth's Position

- The Commission should not require spectrum unbundling
- If the Commission does require line sharing as a UNE,
 - it must follow the Section 252 process
 - ensure that voice services are not degraded
 - allow a reasonable time to implement interim solutions and permanent solutions to administrative problems

Legal Issues

- If Line Sharing is a network element, it must meet the necessary and impairment standard
- If Commission determines Line Sharing meets the "N & I" standard
 - Unbundling must be pursuant to Section 252 to accommodate variations in CLEC needs
 - Pricing must be left to the states
- Pricing must reflect full life cycle costs including any incremental costs in provisioning, maintenance, or systems

Line Sharing - Splitters

- Current splitters used for BellSouth ADSL service will not work for xDSL line sharing
 - need splitters at both ends of shared loop
 - splitters are necessary to allow ILEC to identify trouble and disconnect data services which interfere with voice services
 - CLEC ownership of splitters greatly increases OSS effort and eliminates ILEC's ability to properly police data services

 Definition of Line Sharing will significantly affect life cycle costs

OSS and Processes

- The CLECs' assumptions are flawed in a number of aspects
 - OSS and process changes are not minimal, but affect a large number of inter-related, service critical systems
 - BellSouth's implementation of ADSL provides only part of the functionality needed for line-sharing
 - The existing loop inventory and maintenance systems do not support detailed loop makeup and inventory control
 - BST does not track two "service providers" on ADSL; BST
 Network is the service provider for both POTS and ADSL

Numerous process modifications are required

- Pre-ordering
- Ordering
- Provisioning
- Billing
- Maintenance and Repair
- Facility Rearrangements

OSS and Processes

- Time/Cost to implement
 - Initial (manual) processes with minimal necessary system modifications
 - 6 months / \$4.8M
 - Robust (mechanized) "proprietary" process
 - 12 months (parallel to Initial work) / \$43.5M
 (COSMOS issues may extend this)
 - Robust "Standardized" processes
 - 18 months / \$43.5M

Summary

- FCC cannot depart from Section 252 process for UNEs.
- ILECs must be able to ensure voice services are not compromised.
- Line sharing is technically feasible, but is an overlay on existing retail, resale, and UNE products and service.
- Provision of ADSL Service and provision of line sharing as a UNE are fundamentally different.
- Record keeping for the line sharing overlay involves modifications to many complex systems. The CLECs' assumptions about the level of complexity are significantly flawed.
- Some manual processes can be used initially, but a certain, minimum number of systems changes will also be required for the initial deployment.
- More robust mechanized solutions can be implemented on a "proprietary" basis by BST, or national standards can be developed.

BellSouth Ex Parte in CC Docket No. 98-147

Definition of Shared Line Will Significantly Affect Costs

Is shared line raw media or does it have prescribed transmission characteristics?

- Option 1: Shared line is raw media

BellSouth loop qualification system can be accessed

- High probability that lines identified as qualified are non-loaded
- Some will exceed 1300 Ohms

BellSouth will provide bandpass splitters at both ends

- Equipment plus dispatch

DLEC pays SO and installation charges regardless of suitability

DLEC has access to all spectrum above splitter guard band

- DLEC will adhere to spectrum management rules

No service assurance beyond POTS

Incremental maintenance costs should be minimal

Definition of Shared Line will Significantly Affect Costs

- Option 2: Shared line has prescribed transmission characteristics

Special service-like provisioning process

- No automation available for loop make-ups
- Engineering access to loop facility records
- Calculation of loss (single frequency?)
- Dispatch/measurements to confirm loss, noise
- Non-recurring cost as for HDSL-capable loop UNE

BellSouth will provide bandpass splitters at both ends

DLEC has access to all spectrum above guard band

- DLEC will adhere to spectrum management rules

BellSouth will maintain line to prescribed transmission limits

- Assumes viable spectrum management rules are in place

Estimate one trouble report in 2 years; all require SS dispatch

ILEC Provision of Splitters Will Minimize Overall Costs

Minimal impact on POTS

- Effective isolation of POTS from data signals
- Independent maintenance view of POTS/DC spectrum
- Shorts/grounds on data side will not affect POTS

Minimal impact on data

- Effective isolation of data from POTS signals
- No transmission affects above guard band
 - Assume ≤3dB attenuation @25KHz until standardization
- Independent maintenance view of data spectrum

Co-existence will be enhanced

- No/few POTS trouble reports because of data
- No/few data trouble reports because of POTS

Without ILEC-provided splitters extra maintenance is assumed

- Estimate one extra POTS trouble report per year
- Estimate that ½ of reports will necessitate dispatch